

AGENDA



SCHOOLS FORUM

Date: Thursday 18th January 2024
Time: 4.30pm
Place: Microsoft Teams

Distribution

Members of the Committee

Pippa Osborne (Chair)	Dave Baker (Vice Chair)
Julia Anwar	Ross Newman
Jo Dent	Diane Owen
Stuart Evans	Lisa Parker
Kim Garland	Will Roberts
Clare Haughton	Fr. Malcolm Strange
Aaron Jefferies	Katherine Marks
David Jenkins	Susie Weaver
Nicola Jones	Bernice Webber
Louise Leader	David Williams
Nicola Bailey	Kathryn Absalom
Sue Wright	

Appropriate Officers attending:

Mustafa Salih
Hilary Smith
Caroline Warren

Councillors attending:

Ian Boulton

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AGENDA

1. WELCOME AND INTRODUCTIONS
2. APOLOGIES FOR ABSENCE (Pippa Osborne)
3. DECLARATIONS OF INTEREST (Pippa Osborne)
4. ANY OTHER ITEMS THE CHAIR DECIDES ARE URGENT (Pippa Osborne)
5. MINUTES FROM 7TH DECEMBER 2023 MEETING (Pippa Osborne)
6. EARLY YEARS FUNDING 2024-2025 (Jo Briscoombe)
7. SPECIAL SCHOOLS FUNDING ARRANGEMENTS (Mustafa Salih)
8. PROPOSED FINANCIAL AMENDMENTS: BREACH FUNDING (Caroline Warren)
9. GROWTH FUNDING POLICY CRITERIA 2024-2025 (Caroline Warren)
10. FALLING ROLLS FUND AND POLICY (Caroline Warren)
11. Q2 FINANCIAL MONITORING REPORT 2023-2024 (Mustafa Salih)
12. SCHOOL BUDGET ANNOUNCEMENT (Mustafa Salih)
13. SCHOOLS FORUM FORWARD PLAN
14. ANY OTHER BUSINESS

**South Gloucestershire Schools Forum
Minutes of Meeting held on
Thursday 7th December 2023
Microsoft Teams**

PRESENT:

Pippa Osborne (Chair)	Headteacher Christ Church Junior School
Kathryn Absalom	Executive Headteacher, The Park Primary School
Julia Anwar	Head of Business Operations, Olympus Academy Trust
Nicola Bailey	Headteacher, Olympus Academy Trust
Nicky Edwards	Early Years representative
Kim Garland	Headteacher, Brimsham Green School
Aaron Jefferies	Primary Governor, Coniston Primary School
David Jenkins	Governor, Crossways Schools
Nicola Jones	Representative Special Academies
Louise Leader	Headteacher, Pathways Learning Centre
Diane Owen	Chair to Academy Council at King's Oak Academy
Lisa Parker	Headteacher, Warmley Park School
Will Roberts	CEO, Castle School Education Trust (CSET)
Susie Weaver	Executive Principal, Cabot Learning Federation
Bernice Webber	Headteacher, Old Sodbury CE Primary School
Louisa Wilson	Headteacher, St. Stephens C of E Junior School
Sue Wright	Finance Director, CSET

Executive Members:

Ian Boulton, Cabinet Member - Schools, Skills, Employment and Business

Officers:

Mustafa Salih, Service Director Resources and Business
Hilary Smith, Service Director, Education, Learning and Skills
Deb Luter, Schools Finance Team Leader
Caroline Warren, Finance Business Partner

Others:

Tamsin Moreton, Director of Finance & Operations, Enable Trust (representing Nicola Jones)

WELCOME AND INTRODUCTIONS

Attendees were welcomed by the Chair.

APOLOGIES FOR ABSENCE

Ian Boulton, Chris Sivers, Dave Baker, David Williams, Ross Newman, Fr. Malcolm Strange, Aaron Jefferies

1. DECLARATIONS OF INTEREST – None**2. ANY OTHER ITEMS THE CHAIR DECIDES ARE URGENT (Pippa Osborne) - None**

3. MINUTES FROM LAST MEETING – 7th November 2023

Minutes recorded as accurate.

4. Schools Budget Announcement (Mustafa Salih)

We have not had the schools budget announcement but will probably come within the next week and need to quickly model the impact of that and present that to the January Schools Forum which is where we finally consult setting the schools budget.

Early Years settlement came out early so we should be able to cover that at the January Schools Forum and agree the early years single funding formula.

Announcement by the DfE there will be no extra funding.

5. Safety Valve Update (Mustafa Salih)

We are in a Safety Valve agreement with the DfE because of our large high needs block deficit. We have regular monitoring meetings with the DfE and submit quarterly returns as well.

We have been reporting for the previous 3 quarterly returns that there has been a slippage and we are behind on our targets. At the last meeting with the DfE we gave them a bit more detail of where we were with the original Safety Valve and why we are slipping. We were able to present to them the main contributors because when we originally signed, inflation was at 1% or 2% and no one anticipated getting up to 11%. Also, what we pay for residential places, 6th form FE and the top rates LA special schools are charging. The DfE does not have any more funding to compensate that inflationary impact.

Also, when we entered into the Safety Valve agreement we were encouraged to bid for more specialist places but were not successful. We were able to explain that if we had more capital we could increase more places and generate some savings and get back on track with the Safety Valve. We agreed finally we would work on a more detailed description in terms of the slippage and to update them next week. They did say that as we are behind target they will want to impose on us a plan going forward.

PO – What would be that oversight?

MS – We don't know – good to try and get some clarity around that and trying in so many different ways. One of the other important points to the DfE was that the pressure schools are facing in their mainstream budgets around special needs as well.

6. School Funding Campaign Update (Pippa Osborne)

We do recognise that all schools are under pressure and it is not about the LA withholding money nor about the LA having years of underfunding but as a result of being the lowest funded in England.

After the last meeting a group of us met with Cllr Ian Boulton and Daniel Ward (Comms) and we gave a representation of the impact we are seeing in schools on how we are trying to make our budgets balance and both Ian and Daniel were shocked to hear that in some schools the heating needed to be turned down, staff not being replaced and reducing support for families and lobbying the change around the fairer funded guarantee.

Jack Lopresti MP has agreed to meet in the New Year with a small group of representative Heads and to highlight in these minutes to ask for a representation of other colleagues from some MATs, Secondary, Special and Governance. Daniel Ward put together a press release to the Evening Post and Dave Baker, Cllr Ian Boulton and I have been asked to do follow up interviews with local media to raise that profile of being underfunded so we will continue to do a lot of work in the background. Pippa then shared the letter she had promised to draft ahead of this meeting and then to hopefully send to Rt.Hon. Gillian Keegan Secretary of State for the £2.2m transfer from the high needs block to the special needs block.

Comments from Chat (unfortunately the following comments are from Unknown Users so the system has not allowed me to see who made these comments)

“Agree with Susie's comments. I do wonder if something could be included about the work that has gone on to address the deficit issues even before we had access to the Safety Valve Agreement.

A short section on what we have in place through the structures and systems we have in place would work well.

I wonder whether some reference to the effect on staff wellbeing and mental health, particularly HT's as a result of underfunding?

You could stick to the Ofsted 6 words summary sentence approach...

Couple of other ideas. 1. Example of a school on the SG/Bristol border where there is similar demographic either side of border (eg Staple Hill) and the funding difference if it were funded at Bristol level. 2. Offer at end to meet with her or her representatives privately to discuss?”

Comments from the meeting

SW- Thank you for the awful lot work setting out the case really well and clearly it feels measured, appropriate and factual. Clear and comprehensive when and how we share within our LA and sending it out that way. To attach David Jenkins letter as well.

HS – Comparison with our statistical neighbours – we are funded in a similar way.

MS - To add, this is on behalf of maintained schools and academies as well.

MS – Add a few examples of things we have done such as cluster funds increased locally where we have the capital funds.

Action: Mustafa to provide.

WR - A lot of work and great letter and agree. Is the intention this is a private letter from Schools Forum to the Secretary of State or publicise the fact that it has been sent and what her response might be. Helpful to draw out one syllable as to why we are agreeing to transfer out of our schools block as we don't have the money whilst agreeing but lobbying, and whether we could give some case studies and what might happen, e.g. 1FE to cover smaller primary schools which is an issue at the moment.

NE – You mention very little scope to any other changes and there was still scope for reductions – I think it needs to be firmer that there is no more scope.

Action:

Pippa and Mustafa to meet before Christmas to get the letter to the DfE between now and January.

7. Comms Plan (Hilary Smith)

Small schools and disadvantaged children. Our schools do really well however we are not seeing an increase in performance because there is a widening of the gap between disadvantaged and the rest. Disadvantaged children coming from Bristol to our schools do better because they had a better start because of the difference in funding.

Comms. A letter to go out to schools next week advising key messages that we have to top slice. This requires Secretary of State approval and supports the SEND Strategy.

In terms of the impact of the clusters we are now an outlier in secondary compared to the national average in SEND support and national support in EHC assessments. We want to continue that focus of the new Strategy and the key themes are a real focus of increased demand in ASD and SEMH and the plans on how we are addressing and hopefully securing some capital funding. We are focusing on early intervention and what we can do to actually shift the balance of moving continually and reacting to this demand as we have been doing through the clusters to support SEMH. The letter sets out trying to agree a financial stability balanced budget and then include reference on how we are pushing whilst we are agreeing to develop our Strategy and also recognise the pressures placed on schools because of the funding in South Glos schools.

PO – Really good idea to send to schools as it just helps give the whole picture and to see what we are doing will give people some belief we are doing everything we can.

Action: Hilary to draft the letter and send to Pippa and Susie Weaver as Chair of the HNWG.

8. Focus on Social, Emotional and Mental Health (SEMH)

Hilary gave a summary of the slides already shared with members of the Forum.

The slides highlight where we have got exemplary pressure in growth of children with SEMH and EHC needs assessment across primary and secondary phase. If we also look at SEMH in relation to alternative provision we were specifying more when we were putting the safety valve proposals together. It was £1m more than what we were anticipating in our plan and that given our SEMH needs are significantly higher to meet those needs or in specialist provision is to ask our schools to hold onto these pupils. We are giving additional support and holding a number of children in Pathways Learning Centre (PLC).

We need to create a specialist provision within our mainstream or our special schools and resource bases for SEMH as a way of providing specialist capacity and relieve the pressure of children being permanently excluded. In order to do that we need to unblock the situation at PLC to actually release funding for the early intervention and having conversations with our Secondary schools and work together.

In terms of children with medical needs, getting our health professionals on board and willing to support them into PLC to know they are being supported with little need for CAMHS to be engaged, we need to get more robust better control of the finances.

9. Implementation of new Banding and Top Up arrangements for Special Schools and Alternative Provision (Mustafa Salih)

We have worked on a new funding model for Special Schools together with Tamsin Moreton who is the special schools representative. We worked on that approach using Tamsin's schools and now we have carried that through to all the special schools and it will go out to special schools tomorrow.

The letter accompanying the proposed model is quite a complex process. There is a special school heads meeting on the 9th January and Mustafa to join and go through the letter and model and bring back to the next Schools Forum on 18th January and the special schools approval for the Forum.

PO – To note, it needed to happen and our special schools understandably need a different system and highlighted the process for a new banding and this was about fairness and consistent funding across the board. Until it returns to the Forum I think there is a need of interest and transparency to share with heads it doesn't look like it was originally said. Also, clarity includes resources, not just about special schools.

PO – If our colleagues representing our special schools to share a few comments on behalf of the special schools and hopefully approve or otherwise.

10. High Needs Working Group (Susie Weaver)

Suggestion in terms we capture the feedback – to note in the HNWG and flow – MS and CC to get on the agenda.

We have had the regular series of HNWG meetings and will keep to the template and format always reporting around those themes.

Item 4 looking at the DSG. 4.2 detailed discussion on SEMH goes beyond the original Terms of Reference but has played out in that forum and really challenge and debate which from secondary heads there has been good partnership working and recognise that HS and her team have taken on board from schools and captured in the report. Reassure the forum there is an opportunity to test and tease our way through the HNWG.

PO – Although this whole system initially passed through the secondary heads that eventually will also have a similar equivalent to our primary colleagues.

HS – We can only take this forward that requires investment. We will have a working group with secondary heads and my team working on the new SEMH Strategy with all key stakeholders and we will be calling on primaries to join that working group.

11. Forward Plan

NE - Schools budgets. We are looking for some help from the finance team to work in partnership with Early Years before the next Schools Forum. We can then present a joined-up consultation to go through swiftly as we have so much to cover in the January meeting.

HS – Jo Briscoombe is very new to the role and there is a lot to get up to speed quickly and we do have financial colleagues supporting.

Action: Hilary and Mustafa to discuss.

PO – On a personal note in the New year I will be off work and at the next meeting in January I could chair virtually and will ask Dave to take the lead as there is only so much I can do.

SW – Agreement is Dave chairs the next meeting. If you are off you are off! Either Dave or I will chair.

PO - Thank you so much for your time; wishing you a Merry Christmas and Happy New Year.

Jan 2024	18 th			
			Early Years Funding 2024-2025	Jo Briscoombe
			Special Schools Funding Arrangements	Mustafa Salih
			Proposed financial amendments: Breach funding	Caroline Warren
			Growth Funding Policy update	Caroline Warren

			Falling Rolls Policy 2024-2025	Caroline Warren
			Q2 Financial Monitoring Report 2023-2024	Mustafa Salih
			School Budget Announcement	Mustafa Salih

March 2024	07th			
			Q3 Performance Report 2023-2024	Mustafa Salih
			Safety Valve update	Mustafa Salih
			High Needs Working Group	Hilary Smith

May 2024	09th		Provisional Forum Date – depending on need for any decision reports	

July 2024	4th			
			Membership of the Forum	Michelle Trigg
			Schools in Financial Difficulty Update (Report) (Maintained Schools & Academies update)	Mustafa Salih
			Funding Update (including School's supplementary grant)	Mustafa Salih
			Outturn Report 2023-2024 verbal update outturn report)	Mustafa Salih

12. Any Other Business

None

Meeting closed

South Gloucestershire Council

SCHOOLS FORUM

18 January 2024

OUTCOME OF THE CONSULTATION ON EARLY YEARS FUNDING ARRANGEMENTS FOR 2024/2025

Purpose of Report

1. To share the outcomes of the recent consultation with the early years (EY) sector on the proposals for the Early Years Funding Formula for 2024/2025 and gain feedback from Schools Forum for the model of funding allocation for early years.

Policy

2. In line with government requirements, South Gloucestershire Council must consult on any proposed changes to the funding formula for under two, two-, three- and four-year-old children in settings to be implemented from April 2024. It must consult early years providers and Schools Forum. The final decision, following these consultations rests with the local authority.

3. Local authorities are allocated funding to support the provision of childcare in early years. This year there is a new national funding formula to take account of new entitlements. This has been used to determine the funding rates for local authorities. The LA funding rates are calculated by using a base rate which is the same for all children regardless of where they live and their level of need. On top of this, additional funding is provided based on the proportion of children in each area who have additional needs using the following measures: deprivation, English as an additional language (EAL) and special educational needs and disabilities (SEND). This is to reflect the higher cost of meeting these children's needs. The rate is then adjusted according to area to reflect variations in costs across the country.

4. There are 3 separate hourly funding rates that South Gloucestershire will receive under this formula for 2024/2025. These are £10.82 per hour for under 2s, £7.98 per hour for 2-year-olds and £5.66 per hour for 3- and 4-year-olds.

5. We have also taken the approach of trying to provide as much funding as possible within the per-pupil hourly rates while keeping the mandatory inclusion and deprivation supplements to a minimum. As the overall funding pot is larger this year the financial value of these supplements is not reduced. It should be noted that the early years block funding for inclusion is also supplemented by funding from the high needs block which is combined with the inclusion fund from the early years block to support addressing needs for pupils with SEND.

6. There is a 95% pass-through requirement for funding. Up to 5% can be retained to ensure the continued delivery of the LA statutory services for early years including for special educational needs and disability. The approach we have taken is to pass on as much of the

funding as possible taking into account the increased workload and the resource needed to implement the national changes required. This means that two of the options provided in the consultation include pass-through rates higher than 95%. This is possible because the total funding available is larger this year due to the new entitlements.

7. We have not identified any discretionary supplements in order to pass on as much funding as possible to settings via the pupil hourly rates. A contingency fund was considered to allow for the uncertainty of take-up of new entitlements but was removed following feedback from the Early Years Working Group.

Background

8. In 2023 to 2024 local authorities were provided with funding to support a universal 15 hours entitlement for 3 and 4-year-olds, an additional 15 hours entitlement for eligible working parents of 3 and 4-year-olds and a 15 hours entitlement for disadvantaged 2-year-olds.

9. In the Spring budget it was announced that, from 2024 funded childcare hours were going to be extended. Further childcare entitlements are being introduced in phases and there has been an increase in funding allocated to the local authority for this. The new entitlements that need to be planned for are:

- from April 2024, all working parents of 2-year-olds can access 15 hours per week
- from September 2024, all working parents of children aged 9 months up to 3-years-old can access 15 hours per week
- from September 2025, all working parents of children aged 9 months up to 3-years-old can access 30 hours free childcare per week

10. These extensive changes have had implications for setting the funding rate for early years for 2024 – 2025. DfE have acknowledged the difficulties this year and have provided additional guidance through a number of webinars that have been attended by early years and finance colleagues. They have also kept the percentage pass-through rate of 95% to support local authorities to implement the changes.

11. The earliest that DfE can collect census data for the under 2s new working entitlements is January 2025. This means that allocations have been based on DfE's estimated take-up of numbers. These will need to be adjusted based on the actual take up each term, requiring additional headcounts to be undertaken by local authorities.

12. The changes will have implications for the local authority in terms of implementation, requiring an increase in the amount of time needed to administer and monitor this process as well as two upgrades to Capita.

13. The hourly rate received by the LA has been increased this year by £1.87 for 2-year-olds and £0.28 for 3- and 4-year-olds. This has been the highest increase since the single funding formula began in 2017. There has also been a change in the way funding is calculated for the two-year-old base rate. Last year local authorities were given a mid-year supplementary grant for this age group. This year funding now incorporates the supplementary grant. Under last years model with the supplement added, we would have expected to get £8.10 plus an

inflationary uplift as minimum, however we are receiving £7.98 which is a 1.5% reduction before inflation. We know that a reduction in funding for this age group will be challenging for providers and this is the feedback we have had from the working group.

14. Alongside the hourly rate the local authority has a number of supplements that can be applied.

15. The deprivation supplement is a mandatory supplement which is aimed at supporting settings who work with the most disadvantaged children. The purpose of the fund is to enable these settings to provide targeted support to reduce the significant impact economic disadvantage has on children's development and attainment, which can affect their life chances. The special educational needs inclusion fund is also a mandatory supplement which is intended to support local authorities to work with providers to address the needs of children with SEN who are taking up the entitlements and enable local authorities to commission SEN service to support this.

16. Discretionary supplements can also be applied. Rurality/sparsity supplement enables local authorities to support providers serving rural areas less likely to benefit from economies of scale. Flexibility supplement enables local authorities to support providers in offering flexible provision for parents. Quality supplement can be used to support workforce qualifications, or system leadership (supporting high quality providers leading other providers in the local area). English as an additional language (EAL) recognises the differences in attainment in the early years foundation stage between children whose first language is English and those who have EAL. Contingency funding is money set aside for changes in the number of children taking up the entitlements throughout the year.

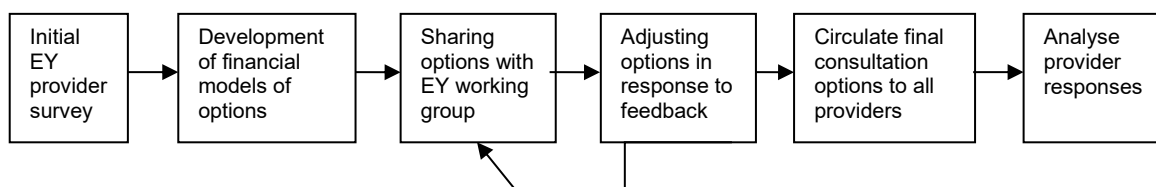
17. The early years sector has continued to experience significant financial pressures over the last year; increases to minimum wage, rents, utility bills and food continue to have significant impact on the sustainability of EY settings.

18. Recruitment and retention of qualified staff also continues to be a huge challenge as low wages deter people from pursuing Early Years as a career option.

19. There are additional challenges to childminders through operating under our current payment model. Payments to the sector are currently given out on 70% in advance and 30% later model. The massive variation in funding levels from month to month has a detrimental impact on childminders' eligibility for universal credit. This has financial implications for this group.

Developing the Consultation Proposals

20. The consultation proposals were developed through engagement with the Early Years Working Group and responding to their feedback. This was informed by detailed financial modelling working with finance colleagues. The following diagram outlines the process followed. All models produced were in line with national guidance and with information from the additional DfE webinars.



21. As there are significant changes this year and there are new entitlements being introduced, an initial survey was sent to settings to try to understand how many settings might be planning to expand the number of places that they offer, particularly for the new entitlements. It was hoped that this would inform plans for funding models as additional places would need to be financed. There was a limited response to this from the sector with only 66 responses. While we had initially planned to use this information to support more accurate financial modelling, this did not provide enough information and so the DfE estimated figures for uptake were used.

22. Feedback from the working group informed the development of the consultation that went out to all settings. The final consultation document circulated to settings followed several opportunities for the working group to provide feedback on the developing models through meetings and via email. A number of adjustments were made as a result of the working group input. The most significant changes included:

- Increasing the pass-through rate to be above 95% for some age groups to maximise per pupil funding
- Reducing the percentage of supplements to maximise per pupil funding (bearing in mind that funding has increased overall so the funding available has not been reduced and still accounts for inflation)
- Removing a discretionary supplement
- Adjusting funding levels particularly for the 2-year-old group where the change in funding allocation to the local authority has most impact on values compared to last year
- Consulting on monthly payments for childminders

Consultation Outcomes for Funding

23. The final consultation was circulated to all settings and childminders. See Appendix 1 for the full consultation paper. The sector were given 3 options and were asked to select their preferred option.

24. The three options are summarised in the table below. The table shows the base rate for each of the entitlements and the percentage for each of the mandatory supplements. The base rate must be set at no less than 90% of the total amount paid to settings, with the remaining 10% being available to be given as supplements. So that we could provide the sector with the highest possible base rate, the number of supplements was limited to those that are mandatory and the total amount allocated did not exceed 2% (well below the 10% permitted).

25. The summary of the 3 options is below. The commentary provides some contextual information about each of the options providers were asked to select from.

	Option 1	Option 2	Option 3
9-month-old entitlement from September 2024	£10.28	£10.27	£10.28
2-year-old Rate	£7.58	£7.78	£7.74
3-to-4-year-old Rate	£5.22	£5.22	£5.22
Deprivation Fund	0.6%	0.7%	0.6%
Inclusion Fund	1.2%	1.3%	1.2%
Commentary	Reduces the percentage of the deprivation supplement from 0.9% and inclusion supplement from 2% from last year. However, because the overall funding pot is larger, it maintains the real financial value of these supplements as it includes an amount for inflation. Passes on funding for 2-year-olds at the rate of 95%.	This option recognises the impact of the difference in the funding formula this year for two-year olds and increases their percentage pass through rate to 98% for this age . Deprivation and inclusion supplements are reduced but to a level larger than option 1 recognising that, with a greater entitlement for funding, there are likely to be an increased number of those who are disadvantaged or have SEND and need to benefit from these supplements.	This option also recognises the impact of funding for two-year olds and increases the percentage pass through rate to 97% for this age . It maintains the supplement level as for option 1. It does not take account of the likely increase in numbers of children who may need to benefit from these funds as option 2 does.

26. It should be noted that the Early Years Pupil Premium payment which is not subject to this consultation has been set by the government at 68p per hour.

Monthly payments

27. Providers were also asked whether they would prefer a move to monthly payments.

28. As a result of this question, we also asked whether there were any issues associated with this that we would need to address as a Council. This gave the sector the opportunity to raise any concerns before we make the decision to pay monthly, should that be the preferred outcome.

Summary of Consultation Outcome

29. The consultation period with the sector took place from 21 December to 8 January. Responses were through a SNAP survey. Information concerning the consultation was emailed to the sector three times and posted on the Virtual Learning Environment (VLE) which is the standard platform in place locally for sharing information with the sector.

30. There were 139 responses from childminders, pre-schools, day nurseries and nursery classes, representing 63% of the sector registered to accept funded children. This represents an improvement in the response rate as last year there were 111 responses. 82 settings chose not to respond.

31. Of the eligible providers, responses were received from 90% of Childminders, 46% of Day Nurseries, 45% of Pre-schools and 0% of school Nursery Classes.

32. The table below shows the summary of all responses.

Sector	Option 1	Option 2	Option 3	Chose not to respond
Childminders (79)	3	62	14	9
Day Nurseries (42)	4	35	3	48
Preschools (18)	1	13	4	20
Nursery Classes (0)	0	0	0	5
Total (139)	8	110	21	82

33. The table below shows the options and the percentage of providers who selected each option.

Option 1	6%
Option 2	79%
Option 3	15%

34. Option 2 was selected as the preferred option by the vast majority of settings and childminders, with 79% of those who voted selecting this option.

35. In terms of monthly payments, 74% of responses were in favour of being paid monthly, with 96% of those being Childminders. The main comments from the sector about being paid monthly reflect feedback from the Early Years Working Group and earlier survey and were as follows:

- It would be easier to have specific dates every month for funding and payments in advance would be more helpful.
- Childminders in receipt of Universal Credit are impacted by the 70/30 split due to the minimum income floor requirement for eligibility.
- Childminders may struggle to remain open if funding continues to be termly and not changed to monthly. This is a concern when we know that sufficiency of places will be an issue for the increased entitlements.
- There is a concern about additional paperwork.

36. The overwhelming majority of childminders who responded are in favour of monthly payments.

Recommendations

37. It is recommended that the Schools Forum note the outcome of the consultation and approve implementation of proposals put forward under Option 2, summarised below

- 9 months to 2 years funding rate is set at £10.27
- 2-year-old funding rate is set at £7.78
- 3-4 year old base rate is set at £5.22
- Deprivation supplement is set at 0.7% and inclusion fund supplement is set at 1.3%

38. It is recommended that Schools Forum note the outcome of the consultation with the sector about paying childminders monthly and support the local authority in a move towards implementing this.

Author

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Appendix 1

Early Years Funding Consultation 2024-25

Introduction

In line with government requirements, South Gloucestershire Council is consulting on proposals for the funding formula for under two, two-, three- and four-year-old children in settings to be implemented from April 2024. Schools Forum will be consulted on funding changes following consultation with the sector, with the final decision resting with the local authority.

The information contained in this report is accurate at the time of being written, however it may be subject to change depending on further government announcements.

South Gloucestershire will allocate out at least 95% of the hourly rate funding received in line with national guidance. 5% will be retained to provide central services to the sector and to respond to the additional demands of the changes this year. We recognise that this is a period of change for the sector as well as the council and will put pressure on you as providers. In order to support the sector we have, for this year, calculated some rates based on passing through a higher percentage of funding to providers in order to increase funding to the sector. The funding will be passed to the sector through:

9 months part funding from September 2024

2-year-old base rate

3 to 4-year-old base rate

Inclusion Fund

Deprivation Supplement

It should also be noted, that the funding from the early years block is also supplemented by contributions from the schools block to fund early years support and from the high needs block which provides additional funding to the inclusion fund which directly support pupils in early years with special educational needs.

You will appreciate that the new entitlements create a level of uncertainty around uptake both for yourselves as providers and for the council. We do not know what the uptake will be and consequently do not have any accurate information to base projections on in order to quantify draw down funding. In common with other local authorities, we are concerned that this will result in insufficient funding to pay providers. For the new entitlements we have used the DfE **estimated** figures in our planning. The DfE have indicated that we will need to provide termly returns on numbers to support this.

Monthly Payments

As you are aware payments are allocated using the 70% (in advance) and 30% model. Given the extent of the changes and the increase in funded places, we have taken the decision to explore whether we can move to monthly payments for childminders. This is in response to concerns raised in our previous survey to the sector and by the Early Years Working group. We have included additional questions in the consultation to address this.

Funding Allocation

The funding is split into the following elements.

9 months funding

This is the standard hourly rate paid to settings who claim for 9-months old from September 2024. We have used the DfE **estimated** figures in our planning purposes. These figures will not be collected in the January 2024 census as these children will not have started in settings. The DfE have indicated that we will need to provide termly returns for this.

2-year-old Funding

This is the standard hourly rate paid to all settings who claim funding for 2-year-olds. The rate is the same regardless of the number of hours claimed up to the maximum of 15 hours per week for 38 weeks. This year there has been a change in the way funding is calculated for the two-year-old base rate as it now incorporates the supplementary grant. The funding formula for this allocate has changed. Under last years model with the supplement added, we would have expected to get £8.10 plus an inflationary uplift as minimum, however we are receiving £7.98 which is a 1.5% reduction before inflation.

3 to 4-year-old Funding Base Rate

This is the standard hourly rate paid to all settings who claim funding for 3- and 4- year-olds. The rate is the same regardless of the number of hours claimed up to the maximum of 30 hours per week for 38 weeks.

Deprivation Supplement (Mandatory)

The deprivation supplement is paid as a lump sum to providers alongside their regular payments. The purpose of the fund is to enable settings to provide targeted support to reduce the significant impact economic disadvantage has on children's development and attainment, which can affect their life chances. In South Gloucestershire we know that outcomes for disadvantaged pupils lag behind those of other pupils. The allocation of the deprivation fund is based on the number of universal hours taken up by children in receipt of Early Years Pupil Premium (EYPP) children in a setting, we predict the number of children receiving EYPP to increase in the next year. This supplement aims to reach the most disadvantaged children.

Inclusion Fund (Mandatory)

The Inclusion Fund was set up in 2017 to enable settings to apply for additional funding to meet the needs of children who have SEND but have not undergone a needs assessment or have an Education, Health and Care Plan (EHCP). Some of these children may go on to undergo a needs assessment or be in receipt of an EHCP in the future depending on their level of need. The sector has previously been consulted, and opted to combine the inclusion fund with funding from the High Needs Funding Block to create a much larger fund which will support more children for longer without needing to apply for an EHCP. This will continue

moving forward, enabling settings to gain financial support from the age of two for children with SEND. We know from providers that they are experiencing an increase in children with SEND that they need to make provision for, and this will support providers to meet that need.

The flexibility supplement for childminders has been removed from all options to ensure equity across all providers, as was indicated in the consultation for last year.

Funding Options

The sector are being asked to select 1 of 3 different options for implementation in April 2024. Please consider the implications of each option before making your selection.

	Option 1	Option 2	Option 3
9-month-old entitlement from September 2024	£10.28	£10.27	£10.28
2-year-old rate	£7.58	£7.78	£7.74
3- to 4-year-old rate	£5.22	£5.22	£5.22
Deprivation fund	0.6%	0.7%	0.6%
Inclusion fund	1.2%	1.3%	1.2%

In all options the rates for working parents of two-year-olds and 9-months-old provision from September 2024 are calculated based on DfE estimated numbers.

Option 1

This option reduces the percentage of the deprivation supplement to 0.6% (from 0.9% this year) and the inclusion supplement to 1.2% (from 2%). However, because the overall funding pot is larger, it maintains the real financial value of these supplements as it includes an amount for inflation. This option also passes on funding for 2-year-olds at the rate of 95%. It does not take account of the likely increase in numbers of children who may need to benefit from these funds with the increased entitlements.

Option 2

This option recognises the impact of the difference in the funding formula this year for two-year olds. Although the rate of funding to the local authority for two-year-olds has been reduced from last year we know that this change will be challenging for providers. For this year we are increasing the percentage pass through rate to 98%. It needs to be understood that this rate is subject to change in future years. 95% of the funding for under twos is being passed on to providers which includes an allocation to contribute to deprivation fund. Again, the deprivation supplement is reduced (from 0.9% last year to 0.7%) and the inclusion supplement is reduced from (2% to 1.3%). Inclusion and deprivation fund percentages are larger than in option 1, recognising that, with a greater entitlement for funding, there are likely to be an increased number of those who are disadvantaged or have SEND and need to benefit from these supplements.

Option 3

This option also recognises the impact of the difference in funding this year for two-year olds and passports out 97% of the funding for this age group to raise the rate for these children. This option reduces the percentage of the deprivation supplement to 0.6% (from 0.9% this year) and the inclusion supplement to 1.2% (from 2%) as per option 1. However, because the overall funding pot is larger, it maintains the real financial value of these supplements as it includes an amount for inflation. It does not take account of the likely increase in numbers of children who may need to benefit from these funds.

Questions:

What is your preferred funding option for implementation in April 2024?

Possible response: Option 1, Option 2 or Option 3?

Would you prefer a move to monthly payments? Yes or No

Are there any issues associated with this that we would need to address as a council?

The Timeline

The sector will be consulted in the following ways:

- Meetings with the Early Years Working Group and School Forum representatives
- Providers will be emailed the consultation paperwork and link
- Information/links to key documents and publications posted on the VLE for all providers

The timescale of consultation activities is as follows:

Timescale	Activity
December 2023	Initial consultation with the Sector Deadline for responses close of play on Monday 8 January 2024
January 2024	Report sent to Schools Forum
March 2024	The sector will be informed of the outcome of the consultation.
April 2024	Implementation of new funding formula

How to respond

Responses to the consultation can be made via SNAP survey only and must be received by **close of play on Monday 8 January 2024**.

To complete the survey, visit <https://southglos.researchfeedback.net/4rqyr1>

Please note, only one response per provider will be accepted.

Contact information

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South Gloucestershire Council

SCHOOLS FORUM

18 January 2024

Special School Funding Arrangements 2024-25 (For consultation with the Schools Forum)

Purpose of Report

1. To update and consult the Schools Forum on funding arrangements for Special Schools for 2024-25 and ongoing.

Policy

2. The Financing of Maintained Schools Regulations 2023 requires local authorities (LAs) to set the Schools Budget each year. The Schools Budget is defined in regulations and broadly represents all the expenditure incurred by local authorities that relate to schools. The source of funding to support the Schools Budget is a ring-fenced grant received by local authorities known as the Dedicated Schools Grant (DSG). Local Authorities must distribute an element of the Schools Budget to their maintained schools using a formula which accords with the regulations made by the Secretary of State for Education and enables the calculation of a budget share for each maintained school. The financial controls within which delegation works are set out in the Scheme for the Financing of Schools.

3. The DSG is allocated to local authorities in 4 blocks as follows:

- Schools Block: relates mainly to funding for mainstream school budget shares
- High Needs Block: relates to funding to support children and young people with SEND
- Early Years Block: relates to funding for supporting nursery education providers and other general early years education responsibilities
- Central Services Block: relates to funding to support LA statutory responsibilities relating to schools

4. Requirements relating to each of the blocks and the DSG in totality are covered in the regulations previously mentioned.

5. The Schools Forum has a key responsibility to act as a consultative body with the local authority on the strategic financial management of the Schools Budget and the DSG. A key priority in this area is to take decisions that ensure sound financial management of the Schools Budget.

Background

6. The Council moved to new banding and top-up funding (TuF) arrangements in September 2022 for mainstream schools. It had been intended to move Special Schools onto new top-up arrangements as well at that time but following concerns raised by Special Schools the Council did not implement those changes for Special Schools and undertook to work with Special Schools to address those concerns. This report concludes this work and has relied on input from the Special Schools finance representative, which was critical in the position reached.

7. School funding arrangements are complex and this report covers some of the historical backdrop and historic funding levels and a degree of complexity that is difficult to avoid, however all attempts to simplify the approach as much as possible have been made.

8. Attached as Appendix 1 is the last letter received from Special School Headteachers setting out their concerns and attached as Appendix 2 are the letters responding to those concerns sent from the Council.

Funding Model

9. The funding model for 2024-25 offers protection to Special Schools, ensures funding is based on assessed need as determined via our new banding and moderation framework and provides a transparent method going forward. It also allows Special Schools to play their part in our approach to ensure all sectors fairly contribute towards our journey to live within our means and ensures all annual increases and additional grants required by the DfE to be passed on to Special Schools have been passed on to Special Schools.

10. To begin with the end point, the new model will be based on the following banding Top-Up Rates:

Band	New Band Rate plus 3% with additional 3.4%
1	£1,780
2	£5,338
3	£9,660
4	£13,729
5	£20,338
6	£29,490

11. These rates fully include all of the increases in Special School Funding the Council has been required to make by the DfE for 2022/23 and 2023/24. Teachers pay and pension grants and split site factors will continue to be funded on top of these rates.

12. For comparison purposes our original proposals (which we did not go on to implement) would have resulted in the following comparable top-up rates shown in Column A which can be compared to the new rates shown in Column B:

Band	Original proposed top up rates (without subsequent 3% and 3.4% uplifts)	A	B
		Original proposed top up rates with an additional 3% & 3.4%	New Band Rate plus 3% with additional 3.4%
1	-	-	£1,780
2	3,021	3,217	£5,338
3	7,257	7,729	£9,660
4	12,864	13,700	£13,729
5	16,080	17,126	£20,338
6	19,298	20,553	£29,490

13. You can see in the above table that the new proposed rates are significantly above what the originally proposed rates would have been and are built on protecting the rates to the old rates that applied for Special Schools in the following way:

Old Band	Value	New Band Rate	New Band Value	New Band Rate plus 3% 22/23	New Band Rate plus 3% with additional 3.4% 23/24
1	£955	1	£1,671	£1,721	£1,780
2	£2,387				
3	£4,296	2	£5,013	£5,163	£5,338
4	£5,729				
5	£7,638	3	£9,071	£9,343	£9,660
6	£10,503				
7	£11,936	4	£12,891	£13,277	£13,729
8	£13,845				
9	£18,142	5	£19,097	£19,669	£20,338
10	£20,051				
11	£25,780	6	£27,690	£28,520	£29,490
12	£29,599				

14. The above table shows how the new proposed rates have been built from the original 12 band TuF rates that have been compressed into 6 bands and then uplifted by the 3% and 3.4% uplifts required by the DfE. This means that the new rates already include protection to the pre-existing rates and therefore removing the need to include any transitional protection.

15. Officers are aware that it has taken some time to get to this new funding model and as part of eliminating any funding turbulence, while we worked out a new funding model for Special Schools during this period, the Council guaranteed to maintain funding levels for

all Special Schools as an interim measure. This was effectively a variation of the Special Schools minimum funding Guarantee and ensured Special Schools funding did not reduce on an overall basis. Based on that interim protection we communicated budget information to Special Schools to set 23/24 budgets. This was always an interim basis as it meant Special Schools funding was not directly based on assessed need of individual pupils but rather on average historic funding levels. It is now important that we shift back to a funding model that is based on place funding plus individual pupil's banding and TuF rates and moving forward ensure each school's budget adjusts based on the assessed need of each pupil. It is recognised, however, that Special Schools will have set budgets and spending plans on an academic year basis, so the Council is planning to continue funding Special Schools as per the existing interim arrangements until August 2024 and then switch to the new TuF rates shown in the first table above from September 2024. That should give schools sufficient time to adjust their spending plans to match the new funding rates from September 2024.

16. Based on this approach the following tables shows modelling of the total funding for each Special School that will be applied for each year going forward and for comparison purposes what the comparable amounts would have been had we adopted our original proposals (shown in the final table below). This modelling is based upon the latest moderated assessments for all current pupils in Special Schools.

	School	Warmley Park	New Horizons	Culverhill	New Siblands	SGS Pegasus
		£'000	£'000	£'000	£'000	£'000
100% protection full FY 23/24	TuF Funding FY 23/24	2,629	1,147	1,900	2,005	2,285
	Total place Funding	1,745	681	1,467	1,308	913
	Teacher Pay & Pension	108	42	91	81	57
	Site Specific funding		62		62	
	Total Funding 23/24	4,482	1,932	3,458	3,456	3,255
100% Protection funding Apr-Aug 24/ From Sept new banding rates FY 24/25	TuF Funding FY 24/25	2,805	992	1,737	1,932	1,958
	Total place Funding	1,745	681	1,490	1,330	1,082
	Teacher Pay & Pension	108	42	92	83	67
	Site Specific funding		62		62	
	Total Funding 24/25	4,658	1,777	3,319	3,407	3,107
New funding rates only FY 25/26	TuF Funding FY 25/26	2,931	880	1,621	1,880	1,725
	Total place Funding	1,745	681	1,490	1,330	1,170

	Teacher Pay & Pension	108	42	92	83	73
	Site Specific funding		62		62	
	Total Funding 25/26	4,784	1,666	3,203	3,355	2,968
Original band rates updated for 3% & 3.4% FY 25/26	TuF Funding FY 25/26	2,414	743	1,385	1,597	1,463
	Total place Funding	1,745	681	1,490	1,330	1,170
	Teacher Pay & Pension	108	42	92	83	73
	Split Site Funding		62		62	
	Total Funding 25/26	4,267	1,528	2,967	3,071	2,706

17. Officers are grateful for the contribution made by Tamsin Moreton, the Special Schools finance rep, who helped shape the above thinking and way of explaining the model. As explained, it is appreciated this report and funding model involves a great deal of complexity, but hopefully the following key points will help explain further the strengths of the model:

- Unlike mainstream schools this funding model includes no reduction in top-up rates for Special Schools.
- It ensures Special Schools are funded based on assessed need using our newer 6 band Framework.
- It ensures each Special School's funding continues to adjust up or down directly based on the assessed needs of its pupils.
- It ensures all uplifts and separate funding streams like teachers' pay and pension and split site continues to be funded and separately identified.
- It offers a transparent and simple to understand long-term funding model for Special Schools, based on place and TuF rates.
- Although it has taken time to conclude this funding approach, Special Schools' funding has been guaranteed during all of this period and transitional protection will continue in 2024/25.

Special School Benchmarking data

18. The DfE's benchmarking data (shown in the following two charts) continues to show that our funding levels for Special Schools are significantly above other LAs and as this model uses those existing funding levels it is anticipated that this will continue to be the case.

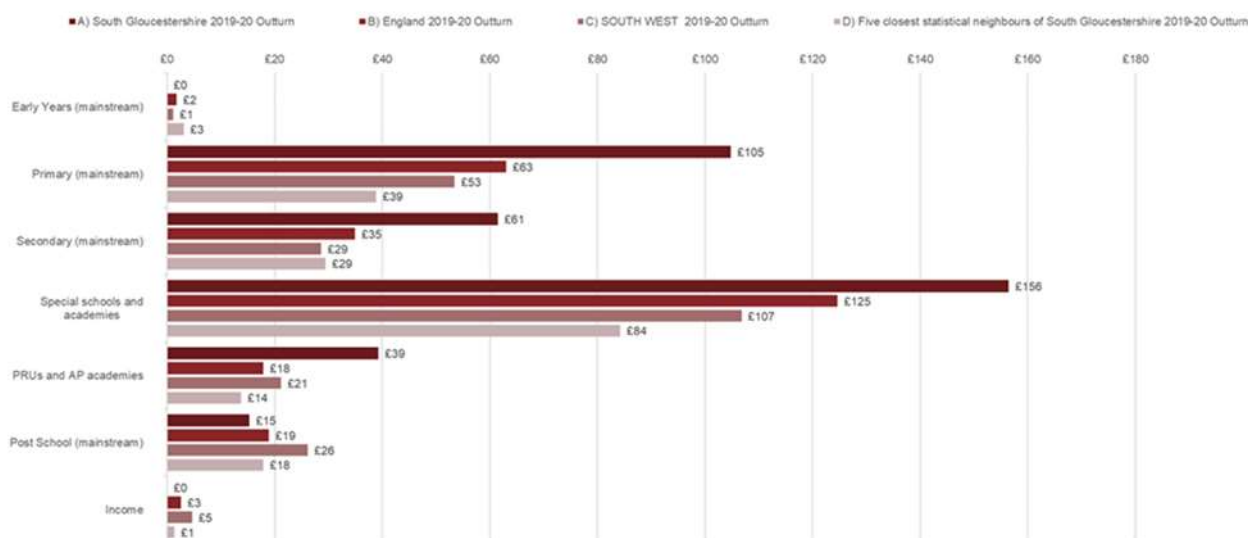
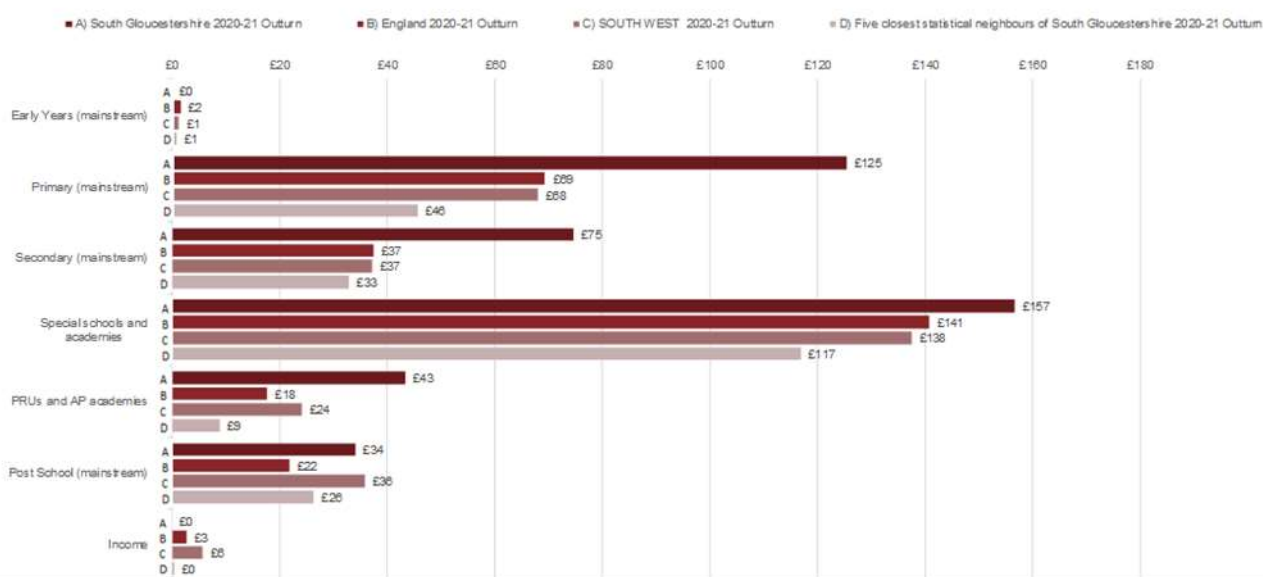


Chart 5: High needs amount per head of 2-18 population: top up funding (maintained schools, academies, free schools and colleges) split by phase (for mainstream) and type of institution (for specialist provision)



Recommendations

19. The Schools Forum is requested to consider the Special Schools Funding Model presented in this report and provide its feedback.

20. This consultation with the Schools Forum is of the highest importance and the Council is very mindful of continuing our progress on the Safety Valve Programme in full partnership with the Forum.

Financial Implications

21. The School Finance Regulations set out the arrangements which Local Authorities must follow when allocating the DSG funding to schools.
22. As the support for schools and other pupil related services expenditure is funded by the DSG there is no charge to the Council Budget. Hence there is no charge to the Council Taxpayer.
23. The DSG is forecast to overspend in 2023/24. Any overspend will need to be recovered from future year's DSG funding. The Council has successfully entered into the DfE's Safety Valve Programme which includes adhering to a challenging plan of reaching an in-year balance by 2027/28. The recommendations in this report form an important element of staying on track with the Safety Valve agreement and failure to maintain that progress could put at risk the £25.5m secured through the Safety Valve Programme. The historic nature of the deficit will mean that without this additional funding from the DfE, greater savings from the local SEND system would be needed to achieve that statutorily required in-year balance.

Legal Implications

24. There is a legal requirement for the local authority to:
 - submit the final school pro-formas and underlying data to the Education & Skills Funding Agency by the 21 January 2024.
 - confirm with schools their budget allocations for 2024/25 by 28 February 2024.
25. The Chief Financial Officer, after the end of the financial year, must confirm to the DfE that the grant conditions have been met.

Author

Mustafa Salih, Service Director – Resources and Business
Tel: 01454 863197

SPECIAL AND AP SCHOOL HTS STATEMENT REGARDING FUNDING (PDF) – Attached as a separate document

Appendix 2

Date: 09 January 2024
Reference: MS/Special Schools. Let

To all Headteachers of Special Schools

Dear colleagues,

I am pleased to write to you setting out the final funding model for Special Schools. The proposed way forward offers protection to Special Schools, ensures funding is based on assessed need as determined via our new banding and moderation framework and provides a transparent method going forward. It also allows Special Schools to play their part in our approach to ensure all sectors fairly contribute towards our journey to live within our means and ensures all annual increases and additional grants required by the DfE to be passed on to Special Schools have been passed on to Special Schools.

To explain the model, I will need to cover some of the historical backdrop and historic funding levels and a degree of complexity that is difficult to avoid although I will try and simplify the approach as much as is possible.

To begin with the end point in mind the new model will be based on the following banding top-Rates:

Band	New Band Rate plus 3% with additional 3.4%
1	£1,780
2	£5,338
3	£9,660
4	£13,729
5	£20,338
6	£29,490

These rates fully include all of the increases in Special School Funding the Council has been required to make by the DfE for 2022/23 and 2023/24. Teachers pay and pension grants and split site factors will continue to be funded **on top** of these rates.

For comparison purposes our original proposals (which we did not go onto implement) would have resulted in the following comparable top-up rates shown in Column A which can be compared to the new rates shown in Column B:

Band	Original proposed top up rates (without subsequent 3% and 3.4% uplifts)	A	B
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You can see in the above table that the new proposed rates are significantly above what the originally proposed rates would have been and are built on protecting the rates to the old rates that applied for Special Schools in the following way:

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The above shows how the new proposed rates have been built from the original 12 band TuF rates that have been compressed into 6 bands and then uplifted by the 3% and 3.4% uplifts required by the DfE. This means that the new rates already include protection to the pre-existing rates and therefore removing the need to include any transitional protection.

I do appreciate that it has taken some time to get to this new funding model and as part of eliminating any funding turbulence, while we worked out a new funding model for Special Schools during this period, the Council guaranteed to maintain funding levels for all Special Schools as an interim measure. This was effectively a variation of the Special Schools minimum funding Guarantee and ensured Special Schools funding did not reduce on an overall basis. Based on that interim protection we communicated budget information to Special Schools to set 23/24 budgets. This was always an interim basis as it meant Special Schools funding was not directly based on assessed need of individual pupils but rather on average historic funding levels. It is now important that we shift back to a funding model that is based on place funding plus individual pupil's banding and TuF rates and moving forward ensure each school's budget adjusts based on the assessed need of each pupil. I do recognise, however, that Special Schools will have set budgets and spending plans on an academic year basis so I am proposing to continue funding Special Schools as per the existing interim arrangements until August 2024 and then switch to the new TuF rates shown in the first table above from September 2024. That should give schools sufficient time to adjust their spending plans to match the new funding rates from September 2024.

Based on this approach the following tables shows modelling of the total funding for each Special School that will be applied for each year going forward and for comparison purposes what the comparable amounts would have been had we adopted our original proposals (shown in the final table below). This modelling is based upon the latest moderated assessments for all current pupils in Special Schools.

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	Split Site Funding		62		62	
	Total Funding 25/26	4,267	1,528	2,967	3,071	2,706

I am thankful for the contribution made by Tamsin, the Special Schools finance rep, who helped us shape the above thinking and way of explaining the model. I do appreciate the complexity involved but hopefully the following key points will help explain further the strengths of the model:

- Unlike mainstream schools this funding model includes no reduction in top-up rates for Special Schools
- It ensures Special Schools are funded based on assessed need using our new 6 band Framework.
- It ensures each Special School's funding continues to adjust up or down directly based on the assessed needs of its pupils.
- It ensures all uplifts and separate funding streams like teachers' pay and pension and split site continues to be funded and separately identified.
- It offers a transparent and simple to understand long-term funding model for Special Schools, based on place and TuF rates

A paper based on the above model will be presented to next week's Schools Forum as part of our ongoing consultation with the Forum on School funding matters.

If you have any questions, please do not hesitate to contact me, ideally before the Forum meeting on 18 January so I can update the Forum on any questions raised and answers given.

Yours sincerely,

Mustafa Salih
Service Director Resources and Business

Appendix 2

Date: 12 January 2024
Reference: MS/Special School. Let.003

To: All Special School Headteachers

Dear Colleagues,

We are writing to you to update you on some key Special School Funding issues following completion of the banding and moderation exercise for all Special School Pupils and to cover any remaining issues in you last raised in your letter dated 16 May 2023 (attached).

The letter raised 4 main points:

1. The need to ensure a robust assessment of need and banding allocation process is in place,
2. The need for funding mechanism to reflect the needs and importantly changing need profiles of pupils within each Special School
3. The need to ensure top up funding rates and funding overall is sufficient to meet the identified needs in pupils' EHCPs
4. The need to improve the joint funding aspects of health needs for pupils in Special Schools.

The rest of this letter will address each of these points in turn.

1. A robust assessment, moderation and bandings allocation process.

On 14th May you would have received a letter from Will Pritchard concluding the joint work officers had undertaken with Special School Heads to finalise the band descriptors. We were grateful for the input from Special Schools on completing that work. The EHCP team has now also completed the moderation exercise for a sample of Special School pupils who were given a temporary banding so that all the pupils are on the new banding system. The moderated bandings for your school will be sent to you next week. Some schools have an overall increased level of need profile in their schools due to the moderation exercise and some have a reduced profile of overall need. As schools adapt to any changes in bandings, we will work closely with you to review any significant impact this has to the overall banding profiles and funding levels of each school.

2. A funding mechanism that reflects assessed need and changing needs.

You received a letter from Mustafa Salih on 9 January 2024 completing the work we undertook to set out a transparent and adapting funding model. This funding model answers all the understandable concerns raised by Special Schools. It ensures funding is directly based on place plus top-up funding and that funding adjusts according to changing profiles of pupils on an ongoing basis.

3. Ensuring funding is sufficient to meet needs and funding requirements.

The letter dated 9 January explained that the new funding rates are built from the original 12 band funding rates without any reductions. Those rates were also uplifted fully by the DfE required funding increases for each relevant year. Additional funding streams for teachers pay and pensions and split site are added on top as well. With no reduction and with all required increases we are confident the

new top-up rates fully covered the assessed needs identified for each band. The DfE's benchmarking data also continues to show we fund Special Schools on a per capita basis above the England, regional and statistical neighbours averages and that gives us even more confidence that funding rates are more than sufficient to meet identified needs.

I hope the above is a useful update for Special Schools and we will of course continue to work in partnership with the Special Schools working Group to improve all aspects of our local SEND system.

Yours sincerely



Mustafa Salih
Service Director Resources and Business

Yours sincerely



Will Pritchard
Strategic Lead for SEND

South Gloucestershire Council

SCHOOLS FORUM

18th January 2024

Funding of over filled Planned Places 2024-2025 (for consultation with the Forum)

Purpose of Report

1. To seek the views from Schools Forum regarding a change in how the Local Authority funds overfilled planned places ensuring we remain within the criteria as detailed in the High Needs Operational Guidance.

Policy

2. The Dedicated Schools Grant (DSG) is an Education and Skills Funding Agency (ESFA) grant which is split into four blocks, Schools Block, High Needs Block, Early Years Block and Central Schools Services Block. Local authorities allocate the funding attached to each block in line with the DSG grant conditions. The ESFA publishes operational guidance for Schools and Local Authorities to support the criteria and funding amounts Local Authorities should use.

Background

3. For several years now the High Needs Operational guidance has stated that Place funding be allocated as an annual amount of core high needs funding. Once place funding is allocated, it should not be associated with or reserved for a specific local authority or individual pupil or student.
4. Place funding is not withdrawn if an individual does not occupy a funded place. It provides all eligible schools and colleges with a guaranteed budget for the year and gives them a degree of financial stability. A local authority may not seek to recover funding for places which it perceives as being unused from the previous or current academic year. Similarly, local authorities should not automatically be charged an extra £6,000 or £10,000 per head top-up funding for a pupil or student with high needs if a school or college has filled all funded places (irrespective of which local authority has filled them).

Current System operated within South Gloucestershire

5. Under the current system South Gloucestershire Council pays breach funding to schools where place numbers exceed the agreed planned number for the year. Breach funding is paid at £10,000 to Special Schools and £6,000 to Resource Bases (pro-rata for the period of the breach), we do not claw back funding for unfilled places.

Proposed New System (in line with High Needs Operational Guidance)

6. With effect from 1st September 2024 South Gloucestershire Council will no longer automatically pay breach funding when filled places exceed the agreed planned place numbers. In line with the guidance the Local Authority should not automatically be charged an additional £10,000 or £6,000 per pupil, instead the amount should reflect the actual costs of making the additional provision.
7. We will therefore be open to discussions around the actual additional cost a school might incur when exceeding the planned place numbers. Schools will be asked to demonstrate the actual additional costs being incurred due to breaching to ensure section F of a child's EHCP is still met. In most cases these costs might only be marginal and will vary between establishment however we would not expect the additional costs to exceed £10,000 for a Special School or £6,000 for a Resource Base.

Feedback from Schools

8. A letter was sent to all Special Schools and Resource Bases (including Access Centres) on 5th December 2023, notifying them of the change in practice being reported to Schools Forum on 18th January 2024. Schools were given the opportunity to provide any feedback they wished the Schools Forum to receive in line with this change. Of the 15 Special Schools and Resource Bases contacted we received feedback from 4. A summary of the feedback received can be found in Appendix 1. Overall schools have agreed that the Local Authority should follow the operational guidance and support the change as long as the additional costs incurred due to breaching are met.

RECOMMENDATIONS

- (1) The Schools Forum is asked to consider and provide its formal views on the proposed change in practice regarding the funding of over filled planned places 2024-25 as detailed (in paragraphs 6 and 7) within this report and the High Needs Operational Guidance.**

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Appendix 1

Feedback from Schools regarding change in funding overfilled planned places

Number of Special Schools and Resource Bases
(including Access Centres) Contacted 15

Number of Special Schools and Resource Bases
(including Access Centres) Responded 4

Question 1

Do you agree that the Local Authority should follow the DfE's Operational

Guidance

Yes	No
4	0

Question 2

Do you agree that the Local Authority should implement the change in funding of overfilled planned places in line with the Operational Guidance?

Yes	No
0	4

If No please explain why?

Whilst we appreciate the need for S'Glos to reduce spending on High Needs and for special schools to contribute to the requirements as per the Safety Valve agreement, our priority will always be ensuring we can meet the provision identified for every pupil and this is why we have answered No to question 2. We wish to make the LA aware that there are significant additional costs that top up funding alone will not fully cover when a new pupil starts, including additional requirement for staff, demands on existing staff, operational changes to staffing ratios for health and safety, personal and intimate care needs, therapeutic interventions etc. The situation is exacerbated by place funding remaining at the same level for so many years. It isn't as straightforward as just adding in extra pupils to existing classes/classrooms. We will therefore expect the local authority to provide breach funding where our schools identify the need. It will also be essential that the top-up funding agreed for a pupil funds in full the provision required and outlined in their EHCP. Should requests for taking pupils over and above planned numbers continue to be a regular occurrence, and sufficient financial resource is not available to meet pupils' needs or threaten the effective use of the school's resources to meet the needs of existing pupils, our schools will state that we are unable to breach in any consultation and will robustly defend that position.

It is unclear as to whether Resource Base place-led funding is fair and fully covers the cost of provision in Section F of children's EHCPs (as this is an LA's absolute legal responsibility – irrespective of any local banding system which may have been devised). Indeed, whilst the banding system is supposed to be transparent and clear, we have numerous accounts of

banding being changed and higher bands being offered to secure places when needed, rendering them meaningless. We cannot therefore support any change as we do not have confidence that the LA would apply any new rules consistently.

Question 3:

Do have any other comments:

The issue which needs to be urgently addressed is that the schools should not be taking additional pupils over their standard and agreed place number. This number exists for a reason i.e it's the maximum number of pupils the school can accommodate. Accurate place planning together with ensuring adequate provision is essential. If the change to the breach funding is agreed and goes ahead, the LA must recognise our financial year as being Sept-Aug and we therefore cannot see a change to funding arrangements implemented part way through our financial year, i.e. before 1st September.

Should it be agreed that Section F provision is fully funded within each Resource Base placement, then we do not dispute the core notion that schools should not automatically receive additional place funding if meeting the cost of provision does not equal this additional amount. However, as the Emersons Green legal challenge last year proved, the cost per child of provision varies significantly between Resource Bases based on the needs of the individual children. For example, an additional child entering the Blackhorse Resource Base with a 'typical' AS profile and no violent behaviours, could be accommodated without the need for additional staff. However, where a child has complex medical needs, such as at Emersons Green, it is likely that an additional adult would be required, incurring an additional cost to the school, which the LA would need to fund. Likewise, a child entering the Blackhorse Resource Base with a complex AS/ ADHD/ Demand Avoidant profile may also require additional funding for additional adults in order to safely attend. If these nuances could be guaranteed, then we could support the proposed change. However, we are extremely cautious as we have experienced a lack of nuance in the recent past. Our legal advice on funding of Resource Bases is as follows: The Local Authority (LA) has an overall duty under Section 42 to secure the special educational provision (SEP) contained in Section F of the ECHPs for those pupils. Securing includes providing sufficient funding. Sufficient funding of a pupil attending a resource base necessarily involves two elements: 1. The core cost of that pupil's non SEP provision outside the Resource Base but in the School: i.e. their "share" of the cost of operating the school overall (facilities, the ordinary non SEP teaching their receive in the mainstream classroom, etc.). This is what Element 1 funding is provided for, and why Element 1 is distinguished from Element 2 as a type of core cost in the funding of children attending Resources Bases. Contrast the situation in Special Schools where there is no

separate Element 1 per pupil share because there is no need to distinguish the element of core costs to spent in the mainstream and Resource Base parts of the School; and 2. The cost of delivering the Pupil's SEP in the Resource Base: funded by Elements 2 and 3. It would be essential that, should this change take place, the LA negotiates the true cost of provision with Resource Bases (as outlined in Section F – not banding allocation on need as this is in legal terms irrelevant) in good faith.

South Gloucestershire Council

SCHOOLS FORUM

18th January 2024

Growth Funding Policy Criteria 2024-25

Purpose of Report

1. To agree with the Forum the criteria on which growth funding is allocated to maintained and academy schools and the provisional list of schools identified to receive growth funding in 2024-25.

Policy

2. The Dedicated Schools Grant (DSG) is an Education and Skills Funding Agency (ESFA) grant which is used in its entirety to fund the Schools Budget which in turn supports school and pupil related expenditure. The grant is ring-fenced and must be used in accordance with criteria set by the ESFA.
3. Growth Funding is included within the Schools Block allocations of the DSG.
4. Criteria for allocating growth funding must be approved by Schools Forum.

Background

5. For 2024-2025 the operational guidance for setting a growth fund policy has been updated to include mandatory criteria for the growth policy and a mandatory minimum calculation of the amount paid.
6. The mandatory criteria states that growth funding should be provided where a school or academy has agreed with the local authority to provide an extra class to meet basic need in the area (either as a bulge or an ongoing commitment). Our current and proposed growth policy already includes this as part of the criteria for allocating growth funding.
7. The mandatory minimum calculation must be compliant with the calculation below. The primary growth factor value will be used for all school types recognising there is one teacher pay scale and that this funding is a minimum value.

primary growth factor value (£1,550) × number of pupils × ACA

8. Our current and proposed growth policy calculates growth funding based on the basic entitlement factor for schools which is higher than the mandatory minimum for 2024-2025.
9. In addition to the mandatory criteria detailed above the options for accessing growth funding has also been changed and now includes support for schools, of removing or repurposing surplus places. This has been captured in the growth policy below.
10. Funding for maintained schools is provided to cover the period from September to March before the lagged funding system 'catches up' from the subsequent April through the subsequent year's NFF. Since academies are funded on an academic year basis, they would receive additional funding (at a rate of an additional five-sevenths of the allocation) to cover a full year's growth funding before the system 'catches up'.
11. Primary and Secondary Maintained Schools and academies are eligible for Growth funding based on a policy agreed by Schools Forum.

Growth Funding Policy

12. The proposed criteria for agreeing and allocating growth funding in 2024-25 is:

(i) Permanent and Temporary Increases to meet Basic Need

13. Where schools either increase their Published Admission Number (PAN) or provide an extra class in agreement with the Local Authority (LA) and these are not captured in the October census until the following year or included in the estimated pupil numbers in the Authority Proforma Tool (AP Tool), funding will be allocated from the central growth fund.
14. PAN increases can be based on either one form of entry, or a part-time form of entry where there is a longer-term plan to increase the schools PAN up to one form of entry.
15. Increases can be based on a temporary or permanent change in the pupil admission numbers agreed with the LA.
16. Where a temporary change is agreed (i.e. a temporary bulge class is required for one year) growth funding will be calculated as follows:-
 - For academies growth funding will be calculated for the academic year and the school will receive 7/12^{ths} by the end of November and 5/12^{ths} in April.
 - For maintained schools growth funding will be calculated and paid for September to March only as the increase will be captured in the census numbers and Schools Budget Share from April (para 10).
17. Where a permanent change is agreed (i.e. the schools PAN is increasing permanently, on a roll through basis) and this is not captured in the October census until the following year or included in the estimated pupil numbers in the AP Tool funding, schools will

receive growth funding for the agreed roll through period (usually 7 years for Primary and 5 years for Secondary)

18. The growth funding allocation will be based on the Basic Entitlement rates for 2024-25 multiplied by the agreed pupil number increase and pro-rata based on the agreed date of change.
19. For example, where a school has agreed with the LA to increase by 30 pupils (a one form of entry) in September the growth funding calculation would be based on 30 pupils multiplied by the Basic Entitlement for the proportion of the financial year the class runs September to March.
20. However, if a school has a PAN of 20 and agrees an increase to 30 to create one form of entry in September, the allocation of growth funding will be based on 10 pupils multiplied by the Basic Entitlement for the portion of the financial year the class runs 7/12ths September to March.

(ii) Exceptional Circumstances

21. Exceptional circumstances can arise where the LA may request /agree an increase above a school's current PAN number by any increment and mid-year, for example an unplanned closure of a local independent school as was the case previously in South Gloucestershire. In these circumstances growth funding will be calculated on a pro-rata basis for the portion of the financial year the class runs.
22. On occasions (depending on the exceptional circumstance) the LA might agree to fund a guaranteed minimum number of pupils in a specific year group. Where this type of agreement is made the LA will calculate the difference between the October census numbers and the guaranteed minimum pupil numbers for the specific year group. The Basic Entitlement rate will be applied to the pupil number differential for the agreed number of years.

(iii) Surplus Places

23. Where a school has surplus places and will be reducing PAN (in agreement with the Local Authority), therefore the school would not qualify for funding from the Falling Rolls policy, growth funding will be allocated to support the school transition to the reduced PAN.
24. The funding will provide support for KS1 classes where overall pupil numbers exceed a multiple of 30, by a minimum of 10 pupils.
25. Funding will be allocated using the minimum value as set by the ESFA.
26. For example, a school with a form entry of 60 is planning to reduce to 30 due to population changes. In September 2024 the number of pupils on roll in reception year is 38 (as per the Autumn Census return). Therefore funding for 22 unfilled places x by the minimum value as set by the ESFA will be allocated to the school.

(iv) New Schools

27. New primary schools receive £42,000 for pre-opening setting up costs. They will also attract £50,000 for each of the first four academic years due to diseconomies of scale and setting structures while building up numbers.
28. New secondary schools receive £63,000 for pre-opening setting up costs. They will also attract £75,000 for each of the first four academic years due to diseconomies of scale and setting structures while building up numbers
29. New All Through Schools - New primary schools attached to an existing Secondary school to become an all through school receives £42,000 for pre-opening setting up costs plus the Primary school will attract £50,000 for each of the first four academic years due to diseconomies of scale and setting structures while building up numbers. In addition, the new all through school will receive an allocation of £50,000 per form of entry for the first academic year for the New Primary phase and £25,000 for the next three academic years (in line with previous Schools Forum agreement Sept 2015).

Growth Funding Settlement

30. The growth funding allocation for 2024-25 is £1,657,345 and included within the Schools Block Funding allocation. This is an increase of £60,724 from the 2023-24 allocation.
31. Whilst the Education and Skills Funding Agency (ESFA) has introduced a Falling Rolls budget from 2024-2025, South Gloucestershire Council did not qualify for any additional funding based on the criteria used by the ESFA. It is therefore proposed that £100,000 is allocated from the growth funding allocation for 2024-25 to support the falling rolls policy. There is sufficient funding to cover this in 2024-25 based on the provisional list provided below (para 33).
32. The Growth Funding allocation is based on the following factors
- £1,550 for each primary 'growth' pupil,
 - £2,320 for each secondary 'growth' pupil, and
 - £76,195 for each new school that opened in the previous year (that is, any school not appearing on the October 2022 census but appearing on the October 2023 census).
 - An Area Cost Adjustment of 1.015% is applied to the above rates

The table below shows the data used to calculate the growth funding allocation for South Gloucestershire Schools.

LA Name [A]	LA Code [B]	Eligible primary growth [C]	Eligible secondary growth [D]	ACA (pupil weighted for fringe LAs) [E]	Allocation for primary growth [F] = [C] * £1,550 * [E]	Allocation for secondary growth [G] = [D] * £2,320 * [E]	Number of new schools [H]	ACA weighted number of new schools [I] = [H] * [E]	Allocation for new schools [J] = [I] * £76,195	Total growth allocation [K] = [F] + [G] + [J]
South Gloucestershire	803	368.5	457.5	1.015	£579,841.08	£1,077,503.96	0	0.000	0	£1,657,345

33. Below is a provisional list of schools / areas identified as likely to be eligible for growth funding in 2024-25 financial year.

School/Academy	Change / Reason for adjustment	New School Opening Date / Date of PAN increase/decrease	No. of places April 24 to August 24	No of places Sept 24 to March 25
Abbeywood	Breach from 180 to 240	01-Sep-23	60	60
Barley Close	Breach Sep 23	01-Sep-23	24	0
Brimsham Green	Breach Sep 23	01-Sep-23	10	0
Charlton Wood	Growing School final year adjustment within APT, no effect on growth fund shown for illustrative purpose only for growth	01-Sep-23	30	0
Frenchay	Temporary increase to 1FE throughout all year groups	01-Sep-23	15	9
Patchway	Exceptional Circumstance - Hong Kong increase - Yr9 breakeven 24 pupils for 3 years (roll through) APT adjusted for increase Apr-Aug, less pupil actuals. No effect on growth fund. Shown for illustrative purpose only for growth	01-Sep-21	17	0
Sir Bernard Lovell	Sep 23 Breach	01-Sep-23	30	0
St Stephens Infants	Removing surplus places	01-Sep-26	TBC	TBC
Stoke Lodge Area	Potential temporary bulge class of 30	01-Sep-24	0	30
Thronbury Area	Potential temporary bulge class of 30	01-Sep-24	0	30
Yate Schools Area	Potential temporary bulge class of 30	01-Sep-24	0	30

RECOMMENDATIONS

34. The Schools Forum is asked to approve the criteria used for the Policy and the allocation of growth funding in 2024-25.

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South Gloucestershire Council

Schools Forum – For Decision

18th January 2024

FALLING ROLLS FUND AND POLICY

Purpose of Report

- 1 To seek approval from the Schools Forum the fund amount and policy for Falling Rolls for Primary and Secondary Schools in South Gloucestershire

Recommendations

- 2 The Schools Forum is recommended to:
 - Provide views on the matters covered in this report
 - Agree to the policy for 2024-2025
 - Agree to the formation of a small working group of Schools Forum representatives to support where necessary any exceptional funding requests

Background

3. In 2024-2025 the Education and Skills Funding Agency (ESFA) has introduced a Falling Rolls budget. Unfortunately, South Gloucestershire Council did not qualify for any additional funding based on the criteria used by the ESFA. It is therefore proposed that £100,000 is allocated from the growth funding allocation for 2024-25 to support the falling rolls policy.
4. The purpose of the falling rolls fund is to provide financial support to schools where there is a temporary fall in pupil numbers, but numbers are forecast to recover back to previous levels within 3-5 years as demonstrated within the Schools Capacity Assessment Report (SCAP).
5. The funding is designed to support schools to avoid the need to take costly actions due to the temporary reduction in their capacity when demographic data shows capacity will be needed for expansion in the future. For example, making staff redundant when there will be a need to fill the post in the subsequent 3 to 5 years.

6. In previous years the ESFA made it mandatory that only schools rated Good or Outstanding by Ofsted could be eligible to access funding from a Falling Rolls Fund, for 2024-2025 this has been removed.
7. However, for 2024-2025 there is a new mandatory requirement whereby local authorities will only be able to provide funding where school capacity data 2022 (SCAP report) shows that school places will be required in the subsequent three to five years. This SCAP requirement replaces previous guidance that funding may only be used where local planning data shows that the surplus places will be needed within the next 3 financial years.

Key Points

8. The criteria and fund amount must be agreed by the Schools Forum and applied fairly to academies and maintained schools.

Falling Rolls Policy

9. The proposed eligibility criteria and operating methodology for the SGC Falling Rolls Fund is as follows:
 - The 2022 SCAP shows that school places will be required in the subsequent 3 to 5 years. This is a mandatory requirement.
 - The eligibility threshold for surplus capacity is a decrease of greater than 5% or 5 pupils for Primary Schools to allow for economies of scale and 5% for Secondary Schools between the last October census and the previous years October census.
 - Funding allocations from the Falling Rolls Fund will be calculated at the Primary AWPU funding level for Primary Schools and the average of the key stage 3 and 4 AWPU funding levels for Secondary Schools per vacant space. Funding will be capped for demand where necessary.
 - At least 80% of the pupils attending the school are from the catchment area of the school.
 - Schools with excessive balances would not be eligible for funding from the Falling Rolls Fund. An excessive balance is deemed to be a revenue balance of 15% or more of delegated budget funding.
 - Schools are limited to 2 consecutive years for the receipt of funding.

- The overall funding allocation which any school could receive from the Fund over 2 consecutive years is capped at £100k to ensure overall affordability.
- This policy and method of calculating the funding allocations will be reviewed annually with Schools Forum to ensure funding for schools that meet the criteria can be covered within the available Falling Rolls budget.
- Exceptional requests from any school who does not meet the eligibility criteria for the Fund but feels that they have a strong case for the receipt of a funding allocation from the Falling Rolls Fund will be considered. This consideration will take the form of the submission of an application for funding which would be presented to a Panel of LA officers and Schools Forum representatives.

RECOMMENDATIONS

The Schools Forum is recommended to:

- Note the background, purpose and key highlights
- Provide views on the matters covered in this report
- Agree to the policy and fund amount for 2024-2025
- Agree to the formation of a small working group of Schools Forum representatives to support where necessary any exceptional funding requests

South Gloucestershire Council

SCHOOLS FORUM

18th January 2024

Dedicated Schools Grant 2023/24 Quarter 2

Purpose of Report

1. To update Schools Forum on the Dedicated Schools Grant and Safety Valve position as at Quarter 2 2023/24.

Dedicated Schools Grant (DSG) Funded budgets

2. The net DSG budget excluding academies and High Needs recoupment, is £162,502k. The DSG is forecasting an outturn overspend position of £29,249k, an increase of £315k since Quarter 1. This arises from a forecast in-year overspend of £9,123k, a forecast Safety Valve payment relating to the DSG recovery plan (£2,000k), a council contribution from the Financial Risks reserve relating the Safety Valve agreement (£333k) and a brought forward deficit balance of £22,459k.

3. Details of the original DSG funding announcement (December 2022) including recoupment and Business Rates adjustments are provided in the table 1 below.

1. Table 1 – DSG Funding Announcement

DSG Budget	Net £'000
Original Budget Allocation (December 2022)	270,347
Adjustments and Recoupment	
1. High needs Block Direct Funding By EFA	-6,722
2. Academy Recoupment	-97,228
3. Deduction for ESFA Payments relating to Business Rates	-2,540
4. Special Free Schools Adjustment	-433
5. High Needs Place Return Adjustment	-268
6. Import / Export adjustment	-30
7. Early Years Block adjustment (updated for January 2023 Census numbers)	-622
Total Revised DSG (July 2023)	162,504

4. The DSG funding comes from four funding block, the Schools Block, the Central Schools Services Block, the High Needs Block and the Early Years Block.

5. The overspend position by each funding block is provided in table 2 below (see column highlighted green) and the key changes and risks in the subsequent paragraphs.

Table 2 – Funding position by Blocks

Funding by Blocks	Gross Budget	EFA / Other Income Budget	Budget Reserve (Usuable Approved Outturn)	Net Budget (DSG)	Gross Exp	EFA / Other Income	Q2 Unusable Reserve (In Year DSG)	Net Exp	Over / (Under)
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Schools Block:									
Total Schools Block - Primary & Secondary Schools (excluding Academies)	108,831	-13,254	0	95,577	108,831	-13,254	0	95,577	0
Central Schools Services Block:									
Total Central Schools Services Block	3,343	-73	-34	3,236	3,359	-85	-38	3,236	0
High Needs Block:									
Schools & Independent Providers (including Academies)	54,747	-3,425	-9,196	42,126	52,127	-604	-9,397	42,126	0
Central Items	2,646	-567	-67	2,012	2,815	-655	-148	2,012	0
Total High Needs Block	57,393	-3,992	-9,263	44,138	54,942	-1,259	-9,545	44,138	0
Early Years Block:									
Private, Voluntary & Independent Providers	18,131	-41	489	18,579	19,489	-1,338	428	18,579	0
Central Items	1,085	-111	0	974	1,052	-110	32	974	0
Total Early Years Block	19,216	-152	489	19,553	20,541	-1,448	460	19,553	0
Total In-Year DSG & EFA Funding	188,783	-17,471	-8,808	162,504	187,673	-16,046	-9,123	162,504	0
Total DSG In Year Overspend									-9,123
DSG Deficit Reserve B/F									-22,459
DSG Safety Valve Agreement 2023-2024 (£2,000k Included in table above)									2,000
DSG Safety Valve Council Contribution from Financial Risks Reserve									333
Total DSG Deficit Reserve									-29,249
DSG Reserve:									£'000s
DSG Deficit Reserve B/F from previous years (Appendix 7 - Unusable Reserve)									-22,459
Approved Budget 2023/24									-4,823
DSG Safety Valve Agreement 2023-2024 - Forecast									2,000
DSG Safety Valve Council Contribution from Financial Risks Reserve									333
Request increase draw on DSG Reserve at Quarter 1 (£3,985k)									-3,985
Request increase draw on DSG Reserve at Quarter 2 (£315k)									-315
Total DSG Deficit Reserve (Appendix 7 - Unusable Reserve)									-29,249

Schools Block

6. The Schools Block is forecasting a breakeven position, no change since Quarter 1.

Central Schools Services Block

7. The Central Schools Services Block is forecasting a £38k overspend position, an increase of £4k since Quarter 1.

High Needs Block and Safety Valve

8. The High Needs Block is forecasting a £9,545k overspend before applying the £2,000k DSG safety valve payment and £333k council contribution. This represents an increase of £4,375k above the latest safety valve target for 2023/2024, which is an increase of £282k since Quarter 2. This is mostly due to the impact of the latest funding announcement within

the High Needs Block resulting in a net reduction in funding of £511k due to updated Recoupment, Special Free schools and Import / Export adjustments.

9. There continues to be an increase in the number of requests for Education, Health and Care Plans (EHCPs). The cost of providing support to young people with an EHCP has also increased. There is currently insufficient local special specialist provision resulting in reliance on more expensive Independent and Non-Maintained Schools although plans are progressing to invest in the provision of more places at Pegasus and Warmley. The pressure for increased EHCPs is a national phenomenon and using the DfE's latest benchmarking data there is evidence that our programme of change is delivering improvements as we are now, for the first time, below the national average for the proportion of pupils having an EHCP. To mitigate the pressures, the People Department continues to work closely with School representatives in the High Needs Working Group looking at future options such as offering more targeted approach through early intervention and prevention support which should reduce the number of EHCP requests as well as increasing local provision Specialist Provision.

10. The main pressure areas compared to the latest Safety Valve submission to DfE relate to Independent Placements (£410k), Post 16 Education (£1,011k), High Needs Support in Primary and Secondary schools (£1,136k), Special Schools (£437k), Alternative Provision (£669k) and funding changes (£511k). The majority of these pressures relate to demand and/or price changes as illustrated in Table 3 and detailed below.

11. Independent and Non-Maintained Special Schools is reporting an additional pressure of £410k, compared to the safety valve, a reduction of £210k since Quarter 1. This is due the forecast provision for current and new placements reducing by 10. The reduced demand has been partially offset by the average weekly price increasing.

12. Post 16 Education is showing an additional pressure of £1,011k compared to the safety valve, an increase of £150k since Quarter 1. This is due to an increase the average price of £8 per week and slight increase in demand of 2 placements since Quarter 1.

13. Stated Support is showing an additional pressure of £1,136k, compared to the safety valve an improvement of £655k since Quarter 1. This is due to a reduction in both demand and price since Quarter 1. The cost of new placements compared to leavers as well as a review of the contingency provision for future placements resulted in a cost reduction.

14. Special Schools is showing an additional pressure of £437k, mostly due to an increase in the average weekly price of £19 compared to the safety valve submission.

15. Alternative Provision is showing an additional pressure of £669k compared to the safety valve, an increase of £189k since Quarter 1. This is mostly due to an increase in the forecast average weekly price of £54 per week compared to Quarter 1.

16. It should be noted that the Quarter 2 figures includes a contingency provision for new placements based on named and unknown placements as well as a provision for possible leavers covering the period October to March 2024. An update on the financial forecast based on the actual impact of any future changes will be reported to Schools Forum.

Table 3 – High Needs Demand and Price

High Needs Pressure areas	Outturn 2020/21	Outturn 2021/22	Outturn 2022/23	Quarter 1 2023/24	Quarter 2 2023/24
Independent and Non-Maintained Special Schools - Placements No.s	111	107	122	146	136
Average Weekly Price (38 wks)	£1,647	£1,710	£1,614	£1,576	£1,638
Statemented Support Provision including SG Pupils in OLA Schools No.	840	888	963	1,317	1,216
Average Weekly Price (38 wks)	£257	£273	£269	£391	£228
Post 16 - FE Independent Specialist Placements	33	27	28	31	32
Average Weekly Price (38 wks)	£1,007	£1,184	£1,302	£1,357	£1,347
Post 16 - FE Colleges	257	360	295	272	270
Average Weekly Price (38 wks)	£184	£167	£184	£228	£238
Post 16 Alternative Provision	48	53	57	70	73
Average Weekly Price (38 wks)	£315	£378	£558	£599	£582
Post 16 - Total Placements	338	440	380	373	375
Average Weekly Price (38 wks)	£282	£255	£322	£391	£399
Education other than at School SENHN No.s	20	7	13	15	19
Average Weekly Price (38 wks)	£382	£681	£515	£634	£540
Other Alternative Provision SENAP No.s		35	50	82	83*
Average Weekly Price (38 wks)		£247	£366	£465	£519
OLA Special Schools No.s	79	88	104	102	107
Average Weekly Price (38 wks)	£476	£563	£606	£633	£631
Early Years High Needs Support No.s (EHCPs only)	36	35	23	8	9
Average Weekly Price (38 wks)	£133	£175	£201	£397	£394
Special Schools No.s	483	492	517	560	556
Average Weekly Price (38 wks)	£521	£561	£577	£596	£604
Resource Bases No.s	142	139	145	156	154
Average Weekly Price (38 wks)	£520	£570	£583	£491	£491
PLC No.s	150	169	170	170	170
Average Weekly Price (38 wks)	£646	£600	£622	£623	£623

* during 2021/22 Alternative provision costs for Children in School monitored separately.

Early Years Block

17. The Early Years Block is forecasting a £460k underspend, a reduced underspend position of £29k since Quarter 1.

Author

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SCHOOL BUDGET ANNOUNCEMENT (VERBAL)

SCHOOLS FORUM FORWARD PLAN

Proposed dates for 2024 Academic Year:		

Jan 2024	18th			
			Early Years Funding 2024-2025 (report)	Jo Briscoombe
			Special Schools Funding Arrangements	Mustafa Salih
			Proposed Financial Amendments: Breach Funding	Caroline Warren
			Growth Funding Policy update	Caroline Warren
			Falling Rolls Policy 2024-2025	Caroline Warren
			Q2 Performance Report 2023-2024	Mustafa Salih
			Centralised School Arrangement Improvements & Future Academisation	Hilary Smith

March 2024	07th			
			Q3 Performance Report 2023-2024	Mustafa Salih
			Safety Valve update	Mustafa Salih
			High Needs Working Group	Hilary Smith

May 2024	09th		Provisional Forum Date – depending on need for any decision reports	

July 2023	4th			
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			Membership of the Forum	Michelle Trigg
			Schools in Financial Difficulty Update (Report) (Maintained Schools & Academies update)	Mustafa Salih
			Funding Update (including School's supplementary grant)	Mustafa Salih
			Outturn Report 2023-2024 verbal update outturn report)	Mustafa Salih

ANY OTHER BUSINESS